

**HUMAN SERVICES DEPARTMENT[441]**

**Adopted and Filed**

**Rule making related to home health agency reimbursement**

The Human Services Department hereby amends Chapter 79, “Other Policies Relating to Providers of Medical and Remedial Care,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code section 249A.4.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 249A.4 and 2018 Iowa Acts, Senate File 2418, section 39.

*Purpose and Summary*

This amendment adjusts home health agency low utilization payment adjustment (LUPA) rates to reflect approximately \$1 million in additional state appropriations for reimbursement in accordance with 2018 Iowa Acts, Senate File 2418, section 39.

This amendment will increase home health agency provider rates.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on August 1, 2018, as **ARC 3909C**. The Department received no comments during the public comment period. No changes from the Notice have been made.

*Adoption of Rule Making*

This rule making was adopted by the Council on Human Services on September 12, 2018.

*Fiscal Impact*

This rule making has a fiscal impact to the State of Iowa of \$100,000 annually or \$500,000 over five years. This change was authorized in 2018 Iowa Acts, Senate File 2418, section 39: home health reimbursement adjustment to approximate an increase of \$1 million in state dollars. The legislation indicates a July 1, 2018, effective date. The additional cost to the State is budget-neutral since Senate File 2418 provides an appropriation for this change. The increase will apply to both fee-for-service and managed care units.

*Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or

group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rule making will become effective on December 1, 2018.

The following rule-making action is adopted:

Amend subrule **79.1(2)**, provider category "Home health agencies," as follows:

<u>Provider category</u>	<u>Basis of reimbursement</u>	<u>Upper limit</u>
Home health agencies		
1. Skilled nursing, physical therapy, occupational therapy, speech therapy, home health aide, and medical social services; home health care for maternity patients and children	Fee schedule. See 79.1(26). For members living in a nursing facility, see 441—paragraph 81.6(11) "r."	Effective <del>7/1/18</del> <u>7/1/18</u> : Medicare LUPA rates in effect on <del>6/30/16</del> <u>6/30/18</u> plus a <del>2.93</del> <u>3</u> % increase.

2. and 3. No change.

[Filed 9/12/18, effective 12/1/18]

[Published 10/10/18]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 10/10/18.